

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 1 — 0 2 1

2. STATE:

Minnesota

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

September 24, 2001

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 440.50(a)

7. FEDERAL BUDGET IMPACT:

a. FFY '01 \$ (10,207)

b. FFY '02 \$ 10,207

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Att. 3.1-A, pp. 19-19d; pp 11-11a; pp 12-12a
Att. 3.1-B, pp. 18-18d; pp 10-10a; pp 11-11a

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

same

10. SUBJECT OF AMENDMENT:

Physicians' services

11. GOVERNOR'S REVIEW (Check One):

☒ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ OTHER, AS SPECIFIED:

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Mary B. Kennedy

14. TITLE:

Medicaid Director

15. DATE SUBMITTED:

9/26/01

16. RETURN TO:

Stephanie Schwartz
Minnesota Department of Human Services
444 Lafayette Road North
St. Paul, Minnesota 55155-3853

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

9-27-01

18. DATE APPROVED:

12/21/01

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

September 24, 2001

20. SIGNATURE OF REGIONAL OFFICIAL:

Cheryl A. Harris

21. TYPED NAME:

Cheryl A. Harris

22. TITLE:

Associate Regional Administrator
Division of Medicaid and Children's Health

23. REMARKS:

MINNESOTA
MEDICAL ASSISTANCE
Federal Budget Impact of Proposed State Plan Amendment TN 01-21
Attachments 3.1-A/B: Physicians' Services

Because the Department will now follow the community standard of not requiring a second medical opinion for hysterectomies, language requiring a second medical opinion for hysterectomies is deleted.

In Federal Fiscal Year 2000 (FFY '00), the contractor performing reviews of second medical opinions was paid \$5,487 (384 reviews at \$14.29 per review). Based on the reviews, the Department denied four hysterectomies in FFY '00, for a savings of \$19,096 (four procedures at an average cost of \$4,774 per procedure). Therefore, the savings in FFY '00 was \$13,609.

Because TN 01-21 is effective so close to the end of FFY '01, the Department assumes that the savings will be approximately the same as in FFY '00: \$13,609. However, there will be a cost in FFY '02 of \$13,609 (\$19,096 minus \$5,487).

The actual figures follow. Note that the federal costs/(savings) are 75% of the total, in accordance with 42 CFR §§432.50(b)(1) and 433.15(b)(5).

	<u>FFY '01</u>	<u>FFY '02</u>
State costs/(savings)	(\$ 3,402)	\$ 3,402
Federal costs/(savings)	(\$10,207)	\$10,207
Total costs/savings	(\$13,609)	\$13,609

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-A
Page 11

LIMITATIONS TO THE AMOUNT, DURATION, AND SCOPE OF COVERED SERVICES (Referenced by the number of the service described in preceding pages)

1. Inpatient hospital services:

- Certification of admission is a condition of reimbursement. Inpatient stays not deemed medically necessary by the state agency or the designated medical review agent are not covered.
- Inpatient chemical dependency treatment will require at least 30 hours per week of therapy/counseling including group, collateral, and individual therapy/counseling.
- Hospitals must comply with federal regulations concerning informed consent for voluntary sterilization procedures and hysterectomies.
- Detoxification is covered only when inpatient hospitalization is medically necessary because of conditions in addition to or resulting from withdrawal, e.g., conditions resulting from injury or accident or medical complications during detoxification such as delirium which that necessitate the constant availability of physicians and/or complex medical equipment found only in a hospital setting.
- Leave days, leaves of absence, and reserve beds are not covered.
- A private room must be certified by a licensed physician to be medically necessary, unless the hospitals private room rate does not exceed its semi-private room rate.

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-A
Page 11a

1. Inpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- ~~Second surgical opinion is a condition of reimbursement for hysterectomy.~~
- Laboratory and x-ray services provided as a result of a recipient's scheduled visit that immediately precedes hospital admission as an inpatient are not covered as separate services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

2.a. Outpatient hospital services.

- All services must be provided by or under the on-site supervision of a physician or dentist.
- Outpatient day treatment or partial hospital programs for mental illness require prior authorization as specified in the *State Register*.
- Nutritional counseling exceeding three visits requires prior authorization.
- Outpatient chemical dependency programs are provided for under rehabilitation services. Limitations for outpatient chemical dependency programs are provided under Item 13.d. of this attachment.
- Blood and blood components are covered to the extent these are not available from other sources. Blood charges may not exceed the cost of the quantity actually administered and not replaced.
- Outpatient hospital services includes end-stage renal disease hemodialysis. A recipient receiving hemodialysis in the home is considered to be receiving outpatient hospital services.
- Supplies and equipment ordinarily furnished by hospitals during the care and treatment of an illness or injury are not separately payable.
- Hospitals must comply with federal regulations concerning informed consent for voluntary sterilization procedures and hysterectomies.
- ~~Second surgical opinion is a condition of reimbursement for hysterectomy.~~

STATE: MINNESOTA

Effective: September 24, 2001

TN: 01-21

Approved:

Supersedes: 01-14

ATTACHMENT 3.1-A

Page 12a

2.a. Outpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- Coverage of physical therapy, occupational therapy, audiology, and speech language pathology is limited to services within the limitations provided under items 11.a. to 11.c., physical therapy and related services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-A
Page 19

5.a. Physicians' services:

- **Psychiatric services:** Coverage is limited to the following services. Services require prior authorization as specified in the *State Register*:

<u>Services</u>	<u>Limitations</u>
Diagnostic assessment	1 assessment of up to two hours per calendar year or up to 4 assessments per calendar year, unless the recipient meets certain medical criteria established in rule; if so, MA will pay for 1 assessment of up to 8 hours.
Psychological testing	32 units per calendar year.
Neuropsychological assessment	28 units per calendar year.
Individual psychotherapy, 20 to 30 minutes	Individual psychotherapy and one half hour units of biofeedback training combined, are covered up to 26 hours per calendar year.
Individual psychotherapy, 40 to 50 minutes	Individual psychotherapy and one hour units of biofeedback training combined, are covered up to 20 hours per calendar year.
Individual psychotherapy discretionary	Up to 6 hours per calendar year.
Family psychotherapy without patient present	Up to 20 hours per calendar year when combined with family psychotherapy.
Family psychotherapy	Up to 20 hours per calendar year when combined with family psychotherapy without patient present.

STATE: MINNESOTA

Effective: September 24, 2001

TN: 01-21

Approved:

Supersedes: 01-14

ATTACHMENT 3.1-A

Page 19a

5.a. Physicians' services (continued):

<u>Services</u>	<u>Limitations</u>
Family psychotherapy discretionary	Up to 6 hours per calendar year.
Multiple family group psychotherapy	Up to 10 times per calendar year, not to exceed 2 hours per occurrence.
Group psychotherapy	Up to 78 hours per year, not to exceed 3 hours within a 5 calendar day period.
Chemotherapy management including prescription, use, and review of medication with not more than minimal medical psychotherapy - provided the medication required is antipsychotic or antidepressant provided by a physician, clinical nurse specialist with a specialty in psychiatric nursing or mental health, or registered nurse who is also a mental health professional or practitioner and is employed or under contract with the physician or provider who is providing clinical supervision.	52 clinical units per calendar year, not more than 1 unit per week.
Electroconvulsive therapy single seizure	
Multiple seizures, per day	
Explanation of findings	4 hours per calendar year.
Unlisted psychiatric service or procedure	

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-A
Page 19b

5.a. Physicians' services (continued):

<u>Services</u>	<u>Limitations</u>
Biofeedback training	One-half hour units of service are subject to the same limitations as individual psychotherapy, 20 to 30 minutes. One hour units of service are subject to the same limitations as individual psychotherapy, 40 to 50 minutes.
<ul style="list-style-type: none">● Sterilization procedures: Physicians must comply with regulations concerning informed consent for voluntary sterilization procedures.● Laboratory services: These services must be ordered by a physician or other licensed practitioner within the scope of their practice under state law. Only laboratory services provided by Medicare certified laboratories are eligible for MA payment. In addition, such services must be provided by laboratories that comply with the requirements of §353 of the Public Health Service Act (the Clinical Laboratory Improvement Amendments (CLIA) of 1988, Pub. L. 100-578). Payment to physicians is done in accordance with 42 CFR §447.10(g).● Abortion services: These services are covered when the abortion is medically necessary to prevent death of a pregnant woman, and in cases where the pregnancy is the result of rape or incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.● Telemedicine consultation services: These services must be made via two-way, interactive video or store-and-forward technology. The patient record must include a written opinion from the consulting physician providing the telemedicine consultation. Coverage is limited to three consultations per recipient per calendar week.	

5.a. Physicians' services (continued):

- **Prior Certification:** Physicians must request and obtain certification prior to admitting medical assistance recipients for inpatient hospital services, except for emergencies, delivery of a newborn, inpatient dental procedures, or inpatient hospital services for which a recipient has been approved under Medicare.
- **Delivery of services:** Physician services must be provided by or under the supervision of a medical doctor or doctor of osteopathy licensed under Minnesota Statutes, §147 and within the scope of practice defined by law. Supervised physician services are provided by enrolled physician assistants and physician extenders.
- ~~**Second medical opinion:** Second medical opinion is a condition of reimbursement for hysterectomy.~~
- **Organ transplants:** These services are covered in accordance with the standards and statutory authority provided in Attachment 3.1-E.
- **Physical therapy, occupational therapy, and speech, language, and hearing therapy services:** Coverage of these services is limited to services within the limitations provided under items 11.a. to 11.c., Physical therapy and related services.
- **Anesthesia services:** Anesthesia services must be provided under supervision. At a minimum, physicians provide supervision. Anesthesiologists may personally perform or may medically direct (supervise) the services.
- **Physician services to pregnant women:** Physicians providing these services must be certified by the Department, through a provider agreement, as qualified to provide services to pregnant women.
- **Physician services to children under 21 years of age:** Physicians providing these services must be certified by the Department, through a provider agreement, as qualified to provide services to children under 21 years of age.

STATE: MINNESOTA

Effective: September 24, 2001

TN: 01-21

Approved:

Supersedes: 01-14

ATTACHMENT 3.1-A

Page 19d

5.a. Physicians' services (continued):

- **Pediatric vaccines:** Physicians who administer certain pediatric vaccines (i.e., vaccines that are part of the Minnesota Vaccines for Children Program) within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program. The Minnesota Vaccines for Children Program is established pursuant to §1928 of the Act.

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-B
Page 10

LIMITATIONS TO THE AMOUNT, DURATION, AND SCOPE OF COVERED SERVICES (Referenced by the number of the service described in preceding pages)

1. Inpatient hospital services:

- Certification of admission is a condition of reimbursement. Inpatient stays not deemed medically necessary by the state agency or the designated medical review agent are not covered.
- Inpatient chemical dependency treatment will require at least 30 hours per week of therapy/counseling including group, collateral, and individual therapy/counseling.
- Hospitals must comply with federal regulations concerning informed consent for voluntary sterilization procedures and hysterectomies.
- Detoxification is covered only when inpatient hospitalization is medically necessary because of conditions in addition to or resulting from withdrawal, e.g., conditions resulting from injury or accident or medical complications during detoxification such as delirium which that necessitate the constant availability of physicians and/or complex medical equipment found only in a hospital setting.
- Leave days, leaves of absence, and reserve beds are not covered.
- A private room must be certified by a licensed physician to be medically necessary, unless the hospitals private room rate does not exceed its semi-private room rate.

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-B
Page 10a

1. Inpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- ~~Second surgical opinion is a condition of reimbursement for hysterectomy.~~
- Laboratory and x-ray services provided as a result of a recipient's scheduled visit that immediately precedes hospital admission as an inpatient are not covered as separate services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

STATE: MINNESOTA

Effective: September 24, 2001

TN: 01-21

Approved:

Supersedes: 01-14

ATTACHMENT 3.1-B

Page 11a

2.a. Outpatient hospital services. (continued)

- Abortion related services are covered when the abortion is medically necessary to prevent the death of a pregnant woman, and in cases where the pregnancy is the result of rape and incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- Coverage of physical therapy, occupational therapy, audiology, and speech language pathology is limited to services within the limitations provided under items 11.a. to 11.c., physical therapy and related services.
- Providers who administer pediatric vaccines as noted in item 5.a., Physicians' services within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program.

2.a. Outpatient hospital services.

- All services must be provided by or under the on-site supervision of a physician or dentist.
- Outpatient day treatment or partial hospital programs for mental illness require prior authorization as specified in the *State Register*.
- Nutritional counseling exceeding three visits requires prior authorization.
- Outpatient chemical dependency programs are provided for under rehabilitation services. Limitations for outpatient chemical dependency programs are provided under Item 13.d. of this attachment.
- Blood and blood components are covered to the extent these are not available from other sources. Blood charges may not exceed the cost of the quantity actually administered and not replaced.
- Outpatient hospital services includes end-stage renal disease hemodialysis. A recipient receiving hemodialysis in the home is considered to be receiving outpatient hospital services.
- Supplies and equipment ordinarily furnished by hospitals during the care and treatment of an illness or injury are not separately payable.
- Hospitals must comply with federal regulations concerning informed consent for voluntary sterilization procedures and hysterectomies.
- ~~Second surgical opinion is a condition of reimbursement for hysterectomy.~~

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-B
Page 18

5.a. Physicians' services:

- **Psychiatric services:** Coverage is limited to the following services. Services require prior authorization as specified in the State Register:

<u>Services</u>	<u>Limitations</u>
Diagnostic assessment	1 assessment of up to two hours per calendar year or up to 4 assessments per calendar year, unless the recipient meets certain medical criteria established in rule; if so, MA will pay for 1 assessment of up to 8 hours.
Psychological testing	32 units per calendar year.
Neuropsychological assessment	28 units per calendar year.
Individual psychotherapy, 20 to 30 minutes	Individual psychotherapy and one half hour units of biofeedback training combined, are covered up to 26 hours per calendar year.
Individual psychotherapy, 40 to 50 minutes	Individual psychotherapy and one hour units of biofeedback training combined, are covered up to 20 hours per calendar year.
Individual psychotherapy discretionary	Up to 6 hours per calendar year.
Family psychotherapy without patient present	Up to 20 hours per calendar year when combined with family psychotherapy.
Family psychotherapy	Up to 20 hours per calendar year when combined with family psychotherapy without patient present.

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-B
Page 18a

5.a. Physicians' services (continued):

<u>Services</u>	<u>Limitations</u>
Family psychotherapy discretionary	Up to 6 hours per calendar year.
Multiple family group psychotherapy	Up to 10 times per calendar year, not to exceed 2 hours per occurrence.
Group psychotherapy	Up to 78 hours per year, not to exceed 3 hours within a 5 calendar day period.
Chemotherapy management including prescription, use, and review of medication with not more than minimal medical psychotherapy - provided the medication required is antipsychotic or antidepressant provided by a physician, clinical nurse specialist with a specialty in psychiatric nursing or mental health, or registered nurse who is also a mental health professional or practitioner and is employed or under contract with the physician or provider who is providing clinical supervision.	52 clinical units per calendar year, not more than 1 unit per week.
Electroconvulsive therapy single seizure	
Multiple seizures, per day	
Explanation of findings	4 hours per calendar year.
Unlisted psychiatric service or procedure	

STATE: MINNESOTA
Effective: September 24, 2001
TN: 01-21
Approved:
Supersedes: 01-14

ATTACHMENT 3.1-B
Page 18b

5.a. Physicians' services (continued):

<u>Services</u>	<u>Limitations</u>
Biofeedback training	One-half hour units of service are subject to the same limitations as individual psychotherapy, 20 to 30 minutes. One hour units of service are subject to the same limitations as individual psychotherapy, 40 to 50 minutes.

- **Sterilization procedures:** Physicians must comply with regulations concerning informed consent for voluntary sterilization procedures.
- **Laboratory services:** These services must be ordered by a physician or other licensed practitioner within the scope of their practice under state law. Only laboratory services provided by Medicare certified laboratories are eligible for MA payment. In addition, such services must be provided by laboratories that comply with the requirements of §353 of the Public Health Service Act (the Clinical Laboratory Improvement Amendments (CLIA) of 1988, Pub. L. 100-578). Payment to physicians is done in accordance with 42 CFR §447.10(g).
- **Abortion services:** These services are covered when the abortion is medically necessary to prevent death of a pregnant woman, and in cases where the pregnancy is the result of rape or incest. Cases of rape and incest must be reported to legal authorities unless the treating physician documents that the woman was physically or psychologically unable to report.
- **Telemedicine consultation services:** These services must be made via two-way, interactive video or store-and-forward technology. The patient record must include a written opinion from the consulting physician providing the telemedicine consultation. Coverage is limited to three consultations per recipient per calendar week.

5.a. Physicians' services (continued):

- **Prior Certification:** Physicians must request and obtain certification prior to admitting medical assistance recipients for inpatient hospital services, except for emergencies, delivery of a newborn, inpatient dental procedures, or inpatient hospital services for which a recipient has been approved under Medicare.
- **Delivery of services:** Physician services must be provided by or under the supervision of a medical doctor or doctor of osteopathy licensed under Minnesota Statutes, §147 and within the scope of practice defined by law. Supervised physician services are provided by enrolled physician assistants and physician extenders.
- ~~**Second medical opinion:** Second medical opinion is a condition of reimbursement for hysterectomy.~~
- **Organ transplants:** These services are covered in accordance with the standards and statutory authority provided in Attachment 3.1-E.
- **Physical therapy, occupational therapy, and speech, language, and hearing therapy services:** Coverage of these services is limited to services within the limitations provided under items 11.a. to 11.c., Physical therapy and related services.
- **Anesthesia services:** Anesthesia services must be provided under supervision. At a minimum, physicians provide supervision. Anesthesiologists may personally perform or may medically direct (supervise) the services.
- **Physician services to pregnant women:** Physicians providing these services must be certified by the Department, through a provider agreement, as qualified to provide services to pregnant women.
- **Physician services to children under 21 years of age:** Physicians providing these services must be certified by the Department, through a provider agreement, as qualified to provide services to children under 21 years of age.

STATE: MINNESOTA

Effective: September 24, 2001

TN: 01-21

Approved:

Supersedes: 01-14

ATTACHMENT 3.1-B

Page 18d

5.a. Physicians' services (continued):

- **Pediatric vaccines:** Physicians who administer certain pediatric vaccines (i.e., vaccines that are part of the Minnesota Vaccines for Children Program) within the scope of their licensure must enroll in the Minnesota Vaccines for Children Program. The Minnesota Vaccines for Children Program is established pursuant to §1928 of the Act.